

EXHIBIT A

[illegible]

Kathy: All of ortho is read.
They are reading but leave Mr. Kline there + (4)
Mr. Kline is not there.

000607

Cindy A.

5-28-98 R/knee

Lukcs0

Sharon R

5-28-98 L/wrist

John Gordon

Have a Great
Day !!

Exhibit A-2

**FROM ORIGINAL MOTION FOR SUMMARY
JUDGMENT (Exhibit A-2)**

may will be cash - 10% upon execution of this Agreement, 10% upon delivery, balance due upon completion of installation and/or availability for first use, whichever is earlier. Terms of payment for Ultrasound and Mobil X-Ray will be cash - 10% upon execution of this Agreement, 90% NET upon completion of installation and/or availability for first use, whichever is earlier. All invoices paid after due date will be assessed a late payment charge of the lesser of 1 1/2% per month or the maximum rate permitted by law.

4. **DELAYS.** With the exception of Ultrasound and Mobile X-Ray products, if Customer changes the scheduled delivery date specified on the face of this document ("Scheduled Delivery Date") during the period of 120 days preceding such date, Customer will nevertheless pay the 70% installment of the purchase price payable upon delivery, on the Scheduled Delivery Date as if delivery had been made on such date. In addition, Customer will pay all extra costs incurred by Toshiba as a result of such delay, including, without limitation, storage and transportation. Storage fees will be charged at commercially comparable rates for storage on Toshiba's site. If delivery is delayed by 12 months or more from the Scheduled Delivery Date, through no fault of Toshiba, the price set forth in this Agreement may be increased by Toshiba to a level equal to the higher of the prevailing price in effect at the time of the revised delivery date or 1 percent (1%) per month (or portion of it) for each month (or portion of it) that delivery is delayed. However, such 12-month period will be tolled for any days during which the delay in delivery is caused solely by Toshiba.

5. **ACCEPTANCE BY TOSHIBA.** This Agreement will not be binding on Toshiba unless and until it is accepted by Toshiba as evidenced by the signature of an authorized representative of Toshiba on the face of this document. Toshiba's acceptance is expressly made conditional upon Customer's assent to the terms and conditions contained in this document. All different or additional terms and conditions which may be contained in Customer's bid documents, purchase order or any other documents furnished by Customer are hereby objected to and deemed material unless accepted in writing by an authorized representative of Toshiba. Toshiba will give Customer a fully executed copy of this Agreement upon acceptance by Toshiba.

6. **EQUIPMENT INSTALLATION.** Toshiba will install all Equipment purchased under this Agreement and connect them to existing power and/or plumbing lines at no additional charge to Customer, except that Customer agrees to pay overtime premium for any labor performed beyond Toshiba's normal working hours. Customer will be responsible for electrical wiring, plumbing, carpentry, plastering, painting, or all other site preparation required prior to installation and connection of the Equipment by Toshiba. Customer will provide space at the installation site for the safe storage of Toshiba's tools, test equipment and other materials used for installation at no charge to Toshiba. Customer shall, at its cost, obtain all permits and licenses required by governmental authorities in connection with the installation and operation of the Equipment. In the event delivery and/or installation of any part of the Equipment is delayed or interrupted because of strike or other labor dispute involving trade unions having jurisdiction over Customer's premises, Customer agrees to negotiate with such trade unions and arrange for the timely completion of such delivery and/or installation. Customer will reimburse Toshiba for any advance incurred as a result of any such labor dispute. The Employer must

10. **SECURITY INTEREST**

interest pursuant to the Uniform proceeds of it) until full payment irrevocable special power of attorney Customer's behalf, for the purpose

11. **REMOVAL OF EQUIP**

Customer will not remove any lease, transfer or otherwise part or any part of the Equipment

12. **REMEDIES OF TOSI**

Agreement or under any other an assignment for the benefit of or if the financial responsibility or if Customer otherwise breach without prior notice or demand, any obligation (including with Remedy above), and/or take in price of the Equipment will be 1 Toshiba will be given by Cu performance or repossession or Equipment with proceeds to be collection. Customer will available to it by law.

13. **ATTORNEY'S FEES**

litigation costs incurred by Toshiba limitation, any action or proceed

14. **EXCUSED PERFORMANCE**

performance resulting directly without limitation, strikes or catastrophes, inclement weather Toshiba's suppliers, or laws, regulations will apply even though such cause Agreement has been delayed for

equipment with proceeds to be collection. Customer will pay to it by law.

representative of Toshiba. Toshiba will give Customer a fully executed copy of this Agreement upon acceptance by Toshiba.

6. EQUIPMENT INSTALLATION. Toshiba will install all Equipment purchased under this Agreement and connect them to existing power and/or plumbing lines at no additional charge to Customer, except that Customer agrees to pay overtime premium for any labor performed beyond Toshiba's normal working hours. Customer will be responsible for electrical wiring, plumbing, carpentry, plastering, printing, or all other site preparation required prior to installation and connection of the Equipment by Toshiba. Customer will provide space at the installation site for the safe storage of Toshiba's tools, test equipment and other materials used for installation at no charge to Toshiba. Customer shall, at its cost, obtain all permits and licenses required by governmental authorities in connection with the installation and operation of the Equipment. In the event delivery and/or installation of any part of the Equipment is delayed or interrupted because of strike or other labor dispute involving trade unions having jurisdiction over Customer's premises, Customer agrees to negotiate with such trade unions and arrange for the timely completion of such delivery and/or installation. Customer will reimburse Toshiba for any expense incurred as a result of any such labor dispute. The Equipment may contain certain components which may have been remanufactured. However, such components will meet the manufacturer's specifications for new components as of the date of completion of installation.

7. EQUIPMENT OPERATION AND INDEMNITY. Customer agrees that all Equipment purchased under this Agreement will be operated exclusively by duly qualified technicians and/or medical doctors in a safe and reasonable manner in accordance with Toshiba's written instructions, applicable laws and regulations, and for the purposes for which such Equipment was intended. Customer agrees to defend, indemnify and hold Toshiba and Toshiba's officers, directors and employees harmless from and against all claims, demands, lawsuits, liabilities, judgments, and costs (including reasonable attorney's fees, expert fees, and other litigation costs) arising out of or in connection with the operation of the Equipment by Customer, unless caused by Toshiba's sole negligence.

8. LIMITED WARRANTY AND REMEDY. For the warranty period described below by product, Toshiba, as its only obligation, will replace or repair, at Toshiba's option and without charge to Customer during Toshiba's normal working hours (if Customer requests warranty service outside such hours, Customer will pay overtime premium for labor), any component of the Equipment determined by Toshiba to be defective in materials or workmanship, provided such defect is reported to Toshiba within the warranty period. Toshiba's warranty period is as follows: (a) X-Ray and Therapy - 6 months from the date of completion of installation; (b) Ultrasound, C.T., Nuclear, MRI - 1 year from date of completion of installation; (c) Probes - 12 months from date of completion of installation. Toshiba does not warrant that operation of the Equipment will be uninterrupted. Components not manufactured by Toshiba, including but not limited to X-Ray tubes, monitors, glassware, VTRS, cameras, computer equipment, and software will be furnished subject only to the manufacturer's warranty, if any, and without any warranty whatsoever by Toshiba. During the warranty period, Toshiba will furnish free of charge any upgrades, including software required to correct any defect in the Equipment or as required under applicable laws.

13. ATTORNEY'S FEE: litigation costs incurred by Toshiba, any action or process limitation, any action or process

14. EXCUSED PERFORMANCE: performance resulting directly without limitation, strikes or catastrophes, inclement weather Toshiba's suppliers, or laws will apply even though Agreement has been data.

15. SOFTWARE: Agreement, and any updates, is being furnished to Customer copy, reproduce, or transcribe written consent. upon Toshiba in a form designated by Toshiba

16. CANCELLATION: Toshiba's prior written consent and all damages suffered by amount equal to twenty percent

17. ASSIGNMENT: Toshiba's prior written consent

18. EXPORT REGULATORY: be controlled under the U.S.I U.S. Department of Commerce indirectly, in contravention of

19. ENTIRE AGREEMENT: and supersedes all prior or co its subject matter. The provisions by both parties.

TERMS (Top 2nd Column)

ND CONDITIONS OF SALE

document, this
er than 60 days

ument, title and
if Toshiba is to
ill not provide
rom which the

nt, prices stated
Equipment may
by Toshiba in
cluding income
will be paid by
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of payment for
0% NET upon
s paid after due
maximum rate

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ate") during the
allment of the
been made on
of such delay.

TOSHIBA'S OBLIGATION TO REPAIR OR REPLACE DEFECTIVE PARTS WILL BE CUSTOMER'S SOLE AND EXCLUSIVE REMEDY FOR A BREACH OF THE WARRANTY SET FORTH IN THIS SECTION. SUCH WARRANTY WILL BE IN LIEU OF ALL OTHER WARRANTIES, EXPRESSED OR IMPLIED, INCLUDING WITHOUT LIMITATION, THE WARRANTIES OF THE MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE. The warranty set forth in this Section will not apply to, and Toshiba will not be liable for any defects resulting from misuse, repairs performed by unauthorized third parties, accidents, acts of God, or neglect of anyone other than Toshiba.

9. **LIMITATION OF LIABILITY.** TOSHIBA WILL NOT UNDER ANY CIRCUMSTANCES BE LIABLE FOR CONSEQUENTIAL, SPECIAL, INCIDENTAL, OR EXEMPLARY DAMAGES OR ECONOMIC LOSS ARISING OUT OF OR RELATED TO THE TRANSACTIONS CONTEMPLATED IN THIS AGREEMENT, EVEN IF TOSHIBA IS APPRISED OF THE LIKELIHOOD OF SUCH DAMAGES OCCURRING. IN NO EVENT WILL TOSHIBA'S LIABILITY TO CUSTOMER (WHETHER BASED ON AN ACTION OR CLAIM IN CONTRACT, TORT, INCLUDING NEGLIGENCE, STRICT LIABILITY, OR OTHERWISE) ARISING OUT OF OR RELATING TO THE TRANSACTIONS CONTEMPLATED IN THIS AGREEMENT EXCEED THE AGGREGATE AMOUNT ACTUALLY PAID BY CUSTOMER TO TOSHIBA UNDER THIS AGREEMENT.

10. **SECURITY INTEREST.** Toshiba hereby reserves and Customer grants to Toshiba a security interest pursuant to the Uniform Commercial Code, in and to the Equipment (and all products and proceeds of it) until full payment of the purchase price is received. Customer hereby grants to Toshiba its irrevocable special power of attorney to execute and file financing statements or other documents, on Customer's behalf, for the purpose of protecting the security interest of Toshiba.

11. **REMOVAL OF EQUIPMENT.** Until Toshiba has received full payment of the purchase price, Customer will not remove any part of the equipment from Customer's premises, nor will Customer sell,

10. SECURITY INTEREST. Toshiba hereby reserves and Customer grants to Toshiba a security interest pursuant to the Uniform Commercial Code, in and to the Equipment (and all products and proceeds of it) until full payment of the purchase price is received. Customer hereby grants to Toshiba its irrevocable special power of attorney to execute and file financing statements or other documents, on Customer's behalf, for the purpose of protecting the security interest of Toshiba.

11. REMOVAL OF EQUIPMENT. Until Toshiba has received full payment of the purchase price, Customer will not remove any part of the equipment from Customer's premises, nor will Customer sell, lease, transfer or otherwise part with possession of, or permit any lien or encumbrance to be placed on all or any part of the Equipment.

12. REMEDIES OF TOSHIBA. If Customer fails to make any payment when due under this Agreement or under any other agreement between Customer and Toshiba, or becomes insolvent or makes an assignment for the benefit of creditors, or if a petition in Bankruptcy is filed by or against Customer, or if the financial responsibility of Customer becomes impaired or unsatisfactory in Toshiba's judgment, or if Customer otherwise breaches any or the terms and conditions of this Agreement, then Toshiba may, without prior notice or demand, defer shipments, cancel the balance of the order, suspend performance of any obligation (including without limitation, all obligations set forth under Limited Warranty And Remedy above), and/or take immediate possession of the Equipment delivered, until the full purchase price of the Equipment will be paid by Customer or, at Toshiba's discretion, until security satisfactory to Toshiba will be given by Customer. Any costs incurred by Toshiba as a result of suspending performance or repossession or collection will be payable by Customer. Toshiba may sell repossessed Equipment with proceeds to be applied to unpaid balance and expenses incurred in sale, repossession and collection. Customer will pay any remaining deficiency. Toshiba may exercise any other rights available to it by law.

13. ATTORNEY'S FEES AND COSTS. Customer will be liable for all attorneys' fees and litigation costs incurred by Toshiba to enforce any of its rights under this Agreement, including, without limitation, any action or proceeding to recover delinquent accounts.

14. EXCUSED PERFORMANCES. Toshiba will not be liable for nonperformance or delay in performance resulting directly or indirectly from any occurrences beyond Toshiba's control, including without limitation, strikes or other labor troubles, acts of God, war, accidents, fires, floods, other catastrophes, inclement weather, transportation, unavailability of materials and labor, delays caused by Toshiba's suppliers, or laws, regulations, or acts of any governmental agency. The foregoing provision will apply even though such cause may occur after performance of the obligations of Toshiba under this Agreement has been delayed for other causes.

15. SOFTWARE. All rights and interest in any software that may be furnished under this Agreement, and any updates and enhancements to it, will remain the property of Toshiba. Such software

ducts, if Customer changes Delivery Date") during the he 70% installment of the delivery had been made on a as a result of such delay, e charged at commercially months or more from the n this Agreement may be n effect at the time of the month (or portion of it) that ays during which the delay

ing on Toshiba unless and representative of Toshiba on upon Customer's assent to onal terms and conditions other documents furnished i writing by an authorized y of this Agreement upon

ment purchased under this no additional charge to labor performed beyond iring, plumbing, carpentry, on and connection of the ic for the safe storage of it no charge to Toshiba. vermental authorities in delivery and/or installation er labor dispute involving i negotiate with such trade tallation. Customer will ute. The Equipment may uch components will meet on of installation.

EXHIBIT E

1721

MD IMAGING, LLC
1777 REISTERSTOWN ROAD
PIKESVILLE, MARYLAND 21208
(410) 653-9993 521976126

04-29-1998

NO. 1,262

PATIENT INFO. ===== CO-PAY
LINDA T. *\$ 708*

10

REFERRING DR: ALFRED IWANTSCH MD
SOC. SEC. #:

PENDING INSURANCE : \$0.00

CURRENT	OVER 30	OVER 60	OVER 90	OVER 120	STATEMENT
1,189.00	0.00	0.00	0.00	0.00	4/29/1998

***** PROCEDURES *****

74170 CT ABDOMEN W/VO	73701 CT LOW/EXTREM WITH	73201 CT UP/EXTREM WITH	75552 MRI-HEART W/O
74160 CT ABDOMEN WITH	72131 CT LUMBAR W/O	S9018 LOW OSMOLAR CONTRAST	73721 MRI-LOW EXTREM JOINT
72125 CT CERV W/O	72133 CT LUMBAR W/VO	70541 MRA-BRAIN/NECK	72148 MRI-LUMBAR W/O
72127 CT CERV W/VO	72132 CT LUMBAR WITH	72156 MRI CERVICAL-W/VO	72158 MRI-LUMBAR W/VO
72126 CT CERV WITH	70490 CT NECK W/O	73720 MRI LOWER EXTREMITY	72149 MRI-LUMBAR WITH
71250 CT CHEST W/O	70491 CT NECK WITH	70336 MRI TMJ-BILATERAL	70540 MRI-ORBIT/NECK
71270 CT CHEST W/VO	70482 CT OR/EAR/SEL W/VO	73220 MRI UPPER EXTREMITY	72196 MRI-PELVIS/HIP
70486 CT FACE W/O	70480 CT ORB/EAR SELLA W/O	70552 MRI-BRAIN W	72147 MRI-THORACIC W
70487 CT FACE WITH	72192 CT PELVIS W/O	70551 MRI-BRAIN W/O	72146 MRI-THORACIC W/O
70450 CT HEAD W/O	76375 CT RECONSTRUCTION	70553 MRI-BRAIN W/VO	72157 MRI-THORACIC W/VO
70470 CT HEAD W/VO	72128 CT THO/SP W/O	72141 MRI-CERVICAL W/O	73221 MRI-UP EXTREM JOINT
70460 CT HEAD WITH	72129 CT THO/WITH	71550 MRI-CHEST	

OTHER :
SERVICES :

DATE OF :
SERVICE :

***** DIAGNOSIS *****

727.67 ACHILLES TENDON	718.91 DERANGEMENT SHOULDER	722.52 LUMBAR DISC DEG	189.1 RENAL PELVIS
225.1 ACOUSTIC NEUROMA	780.4 DIZZINESS	724.4 LUMBAR RADICULOPATHY	840.4 ROTATOR CUFF-TEAR
733.42 ASCEPTIC NECROSIS	786.00 DYSPNEA	721.3 LUMBOSACRAL	780.3 SEIZURE
722.0 CERVICAL (HNP)	959.4 HAND INJURY	348.8 MASS BRAIN	473.9 SINUSITIS
723.4 CERVICAL RADICULOPAT	784.0 HEADACHE	786.6 MASS IN CHEST	215.9 SOFT TISSUE TUMOR
786.50 CHEST PAIN	599.7 HEMATURIA	719.67 MASS-ANKLE	717.1 TEAR-ANT HORN OF MED
385.30 CHOLESTEATOMA	726.2 IMPINGEMENT SYNDROME	787.01 NAUSEA AND VOMITING	727.05 TENOSYNOVITIS
786.2 COUGH	434.91 INFARCTION	723.1 NECK PAIN	722.11 THORACIC (HNP)
722.4 DEGENERATION-CERVICA	836.2 KNEE MEN TEAR-NOT ME	721.8 OSTEOPHYTE	
717.9 DERANGE KNEE OLD	724.2 LOW BACK PAIN	719.47 PAIN-ANKLE	
717.89 DERANGE KNEE OLD OTH	722.10 LUMBAR (HNP)	719.46 PAIN-KNEE	

***** LAST DIAGNOSIS *****
239.6 NEOPLASM/BRAIN

OTHER :
DIAGNOSIS :

SIGNATURE :

on file

RETURN IN

DAYS

WEEKS

MONTHS

NEXT APPOINTMENT :

TOTAL
CHARGE

\$ 708

TOTAL
PAYMENT

*\$ 708**000631*

DATE OF ILLNESS : 4/29/1998
FIRST CONSULTED : 0/ 0/ 0.
LAST VISIT : 4/29/1998
LAST X-RAY : 4/29/1998
DATE OF BIRTH : 10/19/1956 41

CHECK CASH CREDIT CARD

*#3274 - DEBBIE***DAIN**

1032.71
499.15

1531.86

2078.15
1531.86

FRANCIS L. S		FIRST NATIONAL BANK OF MARYLAND ACCOUNTING CENTER 0274 SALISBURY, MARYLAND		3274 66.40/821 7
PAY <u>Seven Hundred Eight and</u>		<u>NO</u> DOLLARS		CHECK AMOUNT
09/1/98	MD Imaging, LLC	3274	\$	768.00
FOR _____		_____ <i>Jan [Signature]</i>		000630
⑈003274⑈ ⑈052100408⑈				

EXHIBIT K

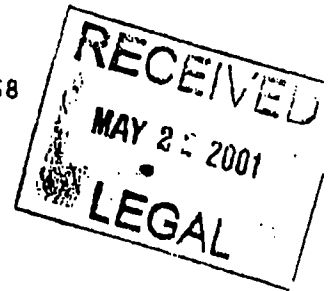
05/23/01 07:31:46

RightFAX->

215 239 6868 RightFAX

Page 883

CIRCUIT COURT FOR BALTIMORE COUNTY
 Suzanne Mensh
 Clerk of the Circuit Court
 County Courts Building
 401 Bosley Avenue
 P.O. Box 6754
 Towson, MD 21285-6754
 (410)-887-2601, TTY for Deaf: (800)-735-2258
 Maryland Toll Free Number (800) 938-5802



Toshiba American Medical Credit Inc
 1055 W Lakes Drive
 Berwyn, PA 19312

NOTIFICATION OF CONTEMPLATED DISMISSAL

Case Number: 03-C-99-010638 CN

CIVIL

Diagnostic Resource Group L L C vs Toshiba America Medical Systems Inc, et a

NOTIFICATION TO PARTIES OF CONTEMPLATED DISMISSAL

Pursuant to Maryland Rule 2-507 this proceeding will be "DISMISSED FOR LACK OF JURISDICTION OR PROSECUTION WITHOUT PREJUDICE," 30 days after service of this notice, unless prior to that time a written motion showing good cause to defer the entry of an order of dismissal is filed.

Costs will be assessed in accordance with Maryland Rules...

Suzanne Mensh

Suzanne Mensh
 Clerk of the Circuit Court



Date Issued: 05/17/01

CC: Jeffrey H Kreshtool Esq
 Toshiba America Medical Systems Inc

*Per clerk's office on 7/26/02
 This case was dismissed
 with prejudice
 6/2/01
 RW*

EXHIBIT L

C-99-10638

DIAGNOSTIC RESOURCE GROUP, LLC
8817 Belair Road, Suites 104-106
Perry Hall, Maryland 21236

Plaintiff

v.

TOSHIBA AMERICA MEDICAL
SYSTEMS, INC.
2441 Michelle Drive
PO Box 2068
Tustin, California 92781

Serve on:

MARYLAND STATE DEPARTMENT OF
ASSESSMENTS & TAXATION
300 W. Preston Street, Room 511
Baltimore, Maryland 21201

And

TOSHIBA AMERICA MEDICAL
CREDIT, INC.
1055 W. Lakes Drive
Berwyn, Pennsylvania 19312

Serve on:

MARYLAND STATE DEPARTMENT OF
ASSESSMENTS & TAXATION
301 W. Preston Street, Room 511
Baltimore, Maryland 21201

Defendants

* * * * *

IN THE
CIRCUIT COURT
FOR
BALTIMORE COUNTY

Case No.

Case: 03-C-99-010638
CF-Civil Fili 80.00
MLSC 10.00
Appearance Fee 10.00
TOTAL \$100.00

COMMENT:
diagnostic resource group, llc vs. t
america medical systems, inc and tos
medical credit

Receipt #199900021850
Cashier: JJ CLBAUX000
11/01/99 9:06am

COMPLAINT

The Plaintiff, Diagnostic Resource Group, LLC, by its attorney, Jeffrey H. Kreshtool,
sues the Defendants and states:

1. The Plaintiff, Diagnostic Resource Group, LLC ("DRG"), is a limited liability

Feb-14
12:00pm
005 MM

FILE

NOV 01 1999

99 OCT 22 AM 9:49

CLEARING HOUSE
BALTIMORE COUNTY

how Dep. Ex. No. 9

company with its principal office in Baltimore County, Maryland.

2. The Defendant, Toshiba America Medical Systems, Inc. ("TAMS"), is a corporation, with its principal office in Tustin, California. TAMS has no office or resident agent in the State of Maryland.

3. The Defendant, Toshiba America Medical Credit, Inc. ("TAMC"), is a corporation with its principal office in Berwyn, Pennsylvania. TAMC has no office or resident agent in the State of Maryland.

4. At all times relevant hereto TAMS was in the business of manufacturing Magnetic Resonance Imaging Machines ("MRI").

5. At all times relevant hereto TAMC was in the business of leasing MRIs and acted as an agent of TAMS.

COUNT I

BREACH OF CONTRACT

6. On or about September 12, 1997 DRG entered into an agreement with TAMC to lease a Toshiba OPART MRI.

7. The Toshiba OPART MRI was delivered and installed at DRG's office in Baltimore County, Maryland, but never performed satisfactorily.

8. On or about August 17, 1999, TAMS, TAMC and DRG entered into an agreement whereby all parties would release all others from their obligations under the lease.

9. Pursuant to the August 17, 1999 agreement TAMC was to remove the Toshiba OPART from the office of DRG beginning August 18, 1999 at their expense.


10. TAMC has refused to remove the Toshiba OPART despite repeated requests by DRG.

11. DRG has been unable to install a suitable MRI because of TAMC's refusal to remove

the Toshiba OPART.

12. DRG has suffered substantial lost profits and incurred expenses in storing and maintaining the Toshiba OPART.

WHEREFOR, the Plaintiff, Diagnostic Resource Group, LLC, demands judgment against the Defendants, Toshiba America Medical Systems, Inc and Toshiba America Medical Credit , Inc. in the amount of Seven Hundred Fifty Thousand (\$750,000.00) Dollars plus costs.



JEFFREY H. KRESHTOOL
Kreshtool & Kreshtool, P.A.
902 Light Street
Baltimore, Maryland 21230
(410) 752-4957

Attorney for Plaintiff

DIAGNOSTIC RESOURCE GROUP, LLC

Plaintiff

v.

TOSHIBA AMERICA MEDICAL
SYSTEMS, INC., et al.

Defendants

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*

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*

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IN THE

CIRCUIT COURT

FOR

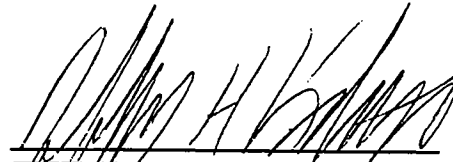
BALTIMORE COUNTY

Case No.

* * * * *

REQUEST FOR JURY TRIAL

The Plaintiff Diagnostic Resource Group, LLC, requests a jury trial in the above captioned case.


JEFFREY H. KRESHTOOL
Kreshtool & Kreshtool, P.A.
902 Light Street
Baltimore, Maryland 21230
(410)752-4957

Attorney for Plaintiff

EXHIBIT M

1 IN THE UNITED STATES DISTRICT COURT
2 FOR THE DISTRICT OF MARYLAND

3 -----x
4
5 DIAGNOSTIC RESEARCH x VOLUME 1
6 GROUP, LLC, x
7 Plaintiff x U.S. District Court
8 v. x Civil No. L-02-3020
9 TOSHIBA AMERICA MEDICAL x
10 SYSTEMS, INC., x Court Case No.
11 Defendant x 03-C-02-006016
12 -----x

13
14 Deposition of KIMBERLY STEHMAN
15 Baltimore, Maryland
16 Monday, March 17, 2003
17 2:43 P.M.
18

19 Job No. 1-14007
20 Pages 1 - 104
21 Reported by: Sharon D. Livingston, CSR-RPR
22

1 A P P E A R A N C E S
2

3 ON BEHALF OF THE PLAINTIFF:
4 SAMUEL SPERLING, ESQUIRE
5 LAW OFFICE OF LEONARD J. SPERLING
6 Commercentre West, Suite 212
7 1777 Reisterstown Road
8 Baltimore, Maryland 21208
9 (410) 653-0141
10

11 ON BEHALF OF THE DEFENDANT:
12 BROOKE SCHUMM, III, ESQUIRE
13 DANEKER, MCINTIRE, SCHUMM, PRINCE,
14 GOLDSTEIN, MANNING & WIDMANN, P.C.
15 1 North Charles Street, Suite 2450
16 Baltimore, Maryland 21201
17 (410) 649-4747
18

19 ALSO PRESENT: JOHN HUTTON
20

21 ORIGINAL
22

1 Deposition of KIMBERLY STEHMAN, held at the
2 offices of:
3

4 LAW OFFICE OF LEONARD J. SPERLING
5 Commercentre West, Suite 212
6 1777 Reisterstown Road
7 Baltimore, Maryland 21208
8 (410) 653-0141
9

10 Pursuant to Notice, before Sharon D.
11 Livingston, Registered Professional Reporter and
12 Notary Public of the State of Maryland.
13
14
15
16
17
18
19
20
21
22

1 C O N T E N T S
2

2 EXAMINATION OF KIMBERLY STEHMAN PAGE
3 By Mr. Schumm 5
4

5 E X H I B I T S
6

(Attached to Deposition Transcript)

7 STEHMAN DEPOSITION EXHIBITS PAGE

8 1 Toshiba America Medical Systems, Inc. 23
9 Historical Activity Report
10 Bates numbers 000095 through 000102
11 2 MRI Applications Site Reports 24
12 Bates numbers 000008 and 000010,
13 Bates numbers 000001 through 000003
14 Bates numbers 000005 through 000007
15 3 Toshiba work orders 26
16 4 Affidavit of Kimberly Stehman 78
17 5 Toshiba America Medical Systems, Inc. 85
18 Installation Progress Form
19 6 Affidavit of Kim Stehman 87
20

21 (Exhibits #5 and #6 are copies, originals retained)
22

37

1 to. I said, would you start a scan on another
2 patient?

3 **A It depends on what the problem with the**
4 **machine was, what kind of scan it was on. There's a**
5 **lot of variables that would go into me answering. I**
6 **don't believe it's a simple yes or no answer.**

7 **Q If you called for service, would you**
8 **continue to treat or do scans on other patients that**
9 **day?**

10 **A Depends on if the machine was able to even**
11 **scan. There's a lot of different reasons why you**
12 **would call service.**

13 **Q Well, let's assume it's able to kind of**
14 **scan. Would you continue to perform scans on**
15 **patients?**

16 **A What do you mean by --**

17 **MR. SPERLING: Objection. I'm going to**
18 **instruct the witness to answer only to the extent she**
19 **understands what it means to kind of scan.**

20 **A I don't understand what you're asking.**

21 **Q Why was it you were being paid by Maryland**
22 **Imaging while you were working for Diagnostic**

39

1 **Q Take me through kind of a typical day. A**
2 **patient appears. Sort of what happens? You know,**
3 **how was the office physically laid out, and so on,**
4 **and so forth?**

5 **MR. SPERLING: Bel Air location?**

6 **MR. SCHUMM: Bel Air Road.**

7 **A When they walked into the office, they were**
8 **at the reception desk. Paperwork was filled out**
9 **there as far as information that was needed from**
10 **them.**

11 **Q And what kind of information would that be?**

12 **A Name, address, phone number, billing**
13 **information, metal questionnaire.**

14 **MR. SPERLING: Did you say medical**
15 **questionnaire?**

16 **THE WITNESS: Metal.**

17 **MR. SPERLING: Oh, metal.**

18 **THE WITNESS: Metal.**

19 **BY MR. SCHUMM:**

20 **Q What does that mean?**

21 **A Before anyone can go and have an MRI scan,**
22 **we need to find out if there's any metal in their**

38

1 **Resource Group?**

2 **A I did some work for MD Imaging.**

3 **Q Were you receiving any paychecks from**
4 **Diagnostic Resource Group?**

5 **A Yes, sir.**

6 **Q And approximately how much were you being**
7 **paid by Diagnostic Resource Group at that period of**
8 **time?**

9 **A You know, I'd have to go back and check my**
10 **taxes. I have no idea how it was split up.**

11 **Q Do any records exist that show how it was**
12 **split up other than your taxes?**

13 **A Not any record. I mean they're the records**
14 **that I would have.**

15 **Q When you say they're the records, what**
16 **records would it be that you have?**

17 **A My taxes.**

18 **Q Would you have any other records?**

19 **A No, sir.**

20 **Q Do you have any records of Diagnostic**
21 **Resource Group?**

22 **A No, sir.**

40

1 **body that will interfere or cause them harm before**
2 **they would enter into the room.**

3 **Q Okay. And there were two suites there.**

4 **Which suite did folks enter into, patients**
5 **enter into, when they first came into the**
6 **receptionist?**

7 **A I don't know which suite numbers there were**
8 **there. I think it's 6 and 8 or 8 and 10, something**
9 **like that. One, if you were looking at the building,**
10 **it's on the left. I can tell you that.**

11 **Q Okay. Did it appear to all be sort of one**
12 **big area for an office?**

13 **A Yes.**

14 **Q Just happened to have two suite numbers?**

15 **A Yes. Yes.**

16 **Q All one big area?**

17 **A Yes.**

18 **Q Okay. And then was there a room there that**
19 **was dedicated to the MRI machine?**

20 **A Yes.**

21 **Q And was there a room there dedicated to**
22 **maintenance of other equipment that was adjunct to**

<p style="text-align: right;">41</p> <p>1 the MRI machine?</p> <p>2 A I believe you're probably referring to the</p> <p>3 computer room?</p> <p>4 Q I'm not referring to anything. I'm just</p> <p>5 asking you the question.</p> <p>6 A I don't know.</p> <p>7 Q Were there other rooms there?</p> <p>8 A There were, yes.</p> <p>9 Q Okay. And what other rooms would there be</p> <p>10 that would be adjunct to the MRI machine?</p> <p>11 A There was a computer room. That was the</p> <p>12 closest thing to it.</p> <p>13 Q Okay. And what else?</p> <p>14 A There was a room that actually had the</p> <p>15 laser camera in it.</p> <p>16 Q I'm sorry. Could you say that once more?</p> <p>17 A room with a what in it?</p> <p>18 A Laser camera.</p> <p>19 Q What does the laser camera do?</p> <p>20 A Allows you to print the images from the MRI</p> <p>21 machine onto film.</p> <p>22 Q Anything else?</p>	<p style="text-align: right;">43</p> <p>1 Air Road location?</p> <p>2 A Patient reports.</p> <p>3 Q What's a patient report?</p> <p>4 A Physician has to read the scan and produce</p> <p>5 a report.</p> <p>6 Q And what physician would read the scan and</p> <p>7 produce a report?</p> <p>8 A Any of the number of physicians at</p> <p>9 University.</p> <p>10 MR. SPERLING: Why don't you spell it out.</p> <p>11 University of?</p> <p>12 THE WITNESS: Maryland.</p> <p>13 BY MR. SCHUMM:</p> <p>14 Q And who would those be, their names?</p> <p>15 A I'm trying to think who read our reports</p> <p>16 from over there. There was a Greg Zoarski, I believe</p> <p>17 Michael Rothman, Bernadette Stallmeyer, Dr. Resnik,</p> <p>18 Dr. Mulligan. They're the ones that come off the top</p> <p>19 of my head.</p> <p>20 Q Okay. So how did it work that they did a</p> <p>21 report? Patient comes in. Patient gets scanned.</p> <p>22 Then what happens?</p>
<p style="text-align: right;">42</p> <p>1 A There was a file room. There was a</p> <p>2 kitchen. There was a marketing office. There was</p> <p>3 changing rooms, bathroom, and one other office and</p> <p>4 the reception area.</p> <p>5 Q And who was the one other office for?</p> <p>6 A Jeffrey used it, and I used it.</p> <p>7 Q I'm sorry. Could you repeat that?</p> <p>8 A Jeffrey Low and myself used it.</p> <p>9 Q Okay. And what was kept in the file room?</p> <p>10 A Patient files.</p> <p>11 Q Any other records?</p> <p>12 A Not to my knowledge.</p> <p>13 Q Where were financial records of the</p> <p>14 business kept?</p> <p>15 A Probably most of them were in a file</p> <p>16 cabinet. Yeah, they were in one of the file</p> <p>17 cabinets.</p> <p>18 Q So they were also not just patient files?</p> <p>19 They were also financial records in the file cabinet?</p> <p>20 A No, sir. A different file cabinet.</p> <p>21 Q A different file cabinet. Okay.</p> <p>22 Any other kind of records maintained at Bel</p>	<p style="text-align: right;">44</p> <p>1 A Films are printed. They were transported</p> <p>2 down to University of Maryland to be read.</p> <p>3 Q And then what happened to them?</p> <p>4 A They were returned back to us.</p> <p>5 Q And they were kept in a file cabinet?</p> <p>6 A A room.</p> <p>7 Q How were they organized in that room?</p> <p>8 A Alphabetically.</p> <p>9 Q What were the usual operating hours of the</p> <p>10 premises?</p> <p>11 A About 8:30 to 5:00.</p> <p>12 Q Now, if you experienced a problem with the</p> <p>13 MRI machine, what was your procedure?</p> <p>14 MR. SPERLING: Again at the Bel Air</p> <p>15 location; is that correct?</p> <p>16 MR. SCHUMM: At the Bel Air location,</p> <p>17 right. Yeah. Whenever I ask, I'm asking about the</p> <p>18 Bel Air location.</p> <p>19 MR. SPERLING: Of Diagnostic Resource</p> <p>20 Group?</p> <p>21 MR. SCHUMM: The company, correct.</p> <p>22 A If it wasn't something that -- normally you</p>

45

1 would have to shut the machine down and bring it back
2 up, what we would call reboot, to see if it would
3 clear the error or the problem it was having. If
4 not, then we had to place a service call.

5 Q Okay. And if you placed a service call,
6 what happened then?

7 A We had to wait for a phone call to let us
8 know if and when somebody could get there.

9 Q Did you keep records of service calls
10 placed?

11 A Yes, sir.

12 Q Tell me about those records.

13 How were they kept?

14 A In a logbook.

15 Q And what did you notate in that logbook?

16 A The type of problem and the date.

17 Q Anything else?

18 A No, sir.

19 Q Any other information kept in the logbook?

20 A No, sir.

21 Q Was that the only logbook that was kept out
22 at the Bel Air Road location?

46

1 A I believe we -- I'm just guessing. From
2 what I can remember, we probably kept a patient log
3 just so we knew what scans were done on what
4 patient. That's pretty typical of most MR places.

5 Q Any other logbook?

6 A No, sir.

7 Q And how were patients scheduled at the
8 location?

9 A A referring physician would call and make
10 an appointment.

11 Q Then what happened to that information from
12 the call from the referring physician?

13 A I believe Mena wrote it on the schedule.

14 Q Who's Mena?

15 A She was our receptionist.

16 Q How do you spell her name?

17 A M-e-n-a.

18 Q And what's her last name?

19 A Damico.

20 Q And do you know where she lives?

21 A She used to live -- I think it was
22 Rosedale? I think she was in Rosedale. I think

47

1 that's where she lived.

2 Q And did she keep a calendar of the
3 appointments?

4 A I believe it was like a -- it was a regular
5 schedule, like times when the patients were due to
6 come in, what kind of scan, who the doctor was.

7 Q Any other information in there?

8 A No. Phone number, you know, of the
9 patient. That would be about it.

10 Q And were the schedules or calendars, were
11 they kept in a book, or how were they compiled and --

12 A They probably kept them in a binder.

13 MR. SPERLING: Let Mr. Schumm finish his
14 question. You jumped the gun a little bit there.

15 THE WITNESS: Sorry.

16 BY MR. SCHUMM:

17 Q And where was the binder kept?

18 A At the front desk.

19 Q Now, what records for Diagnostic Resource
20 Group were kept off site at another location?

21 A None to my knowledge.

22 Q Well, where were the financial records kept

48

1 for Diagnostic Resource Group?

2 A I believe they were right there at Bel Air
3 Road.

4 Q Well, why would records be faxed back and
5 forth between Maryland Imaging and Bel Air Road
6 location?

7 A What do you mean what kind of -- why would
8 records? Of what?

9 Q Just various records. There's just other
10 documents.

11 Do you know why records would be faxed back
12 and forth?

13 A If an office had something at one and we
14 needed it at the other, they would fax it, but I
15 don't --

16 Q What kind of records would those have been?

17 A Could have been billing. Could have been
18 reports.

19 Q Well, why would billing records --

20 If all the financial records of DRG are
21 kept at Bel Air Road, why would they have to be sent
22 over to Maryland Imaging?

49

1 A Crystal, who did our billing, split the
2 time between Bel Air Road and MD Imaging.
3 Q And was that an even split of time, like 50
4 percent, 50 percent?
5 A About that I would imagine.
6 Q Anybody else work at Diagnostic Resource
7 Group who split time between the locations?
8 A Debbie Rittmiller.
9 Q What did she do?
10 A Marketing.
11 Q And how long was she with Diagnostic
12 Resource Group?
13 A About a year, year and a half I would
14 imagine. I wouldn't recall the exact dates.
15 Q How long was she with Maryland Imaging
16 approximately?
17 A About two years.
18 Q And what was her background?
19 A Debbie had done marketing for another
20 company in the Baltimore area here.
21 Q And do you know where she can be reached or
22 located at this time?

50

1 A No, I don't.
2 MR. SPERLING: For the record, the
3 information on Ms. Rittmiller is contained in the
4 answers to interrogatories, I seem to recall, with
5 her new name, which I'm not even going to try to
6 pronounce, and I think an updated address. It's like
7 Zirziky or something like that.
8 BY MR. SCHUMM:
9 Q And what specifically would Ms. Rittmiller
10 do?
11 A She was a marketer. She would go out and
12 visit physicians.
13 Q Did she work for you?
14 A She worked for Diagnostic Resource Group.
15 Q Were you her supervisor?
16 A Yes.
17 Q And what was her background prior to coming
18 to Diagnostic Resource Group?
19 MR. SPERLING: Objection, hearsay. Go
20 ahead and answer.
21 A She did marketing for another company.
22 Q What other company?

51

1 MR. SPERLING: Same objection. Same line
2 of objection only to hearsay.
3 A It was -- I don't recall the company. It
4 was the first open used to advertise with the
5 Orioles. I don't recall. I think it was open -- I
6 don't recall the company's name.
7 BY MR. SCHUMM:
8 Q And what was her educational background?
9 A I don't recall.
10 Q You were her supervisor, right?
11 A Correct.
12 Q And she was doing marketing for you?
13 A Yes.
14 Q And you didn't know what her educational
15 background was?
16 A At this time I don't recall what it is.
17 Q Did she have a college degree?
18 A I don't recall.
19 Q Do you recall anything about Ms.
20 Rittmiller's job qualifications at all?
21 A At this time?
22 Q Yes.

52

1 A I don't recall.
2 Q Where would the records be of her job
3 qualifications?
4 A I don't know where they are.
5 Q When patients came in, you said you had to
6 obtain billing information from them.
7 What do you mean by billing information?
8 A Who their insurance company was.
9 Q And what's the purpose of obtaining that
10 information?
11 A So that it could be billed.
12 Q Okay. Tell me how the billing process
13 worked.
14 A Bills were submitted to the insurance
15 companies for MRIs.
16 Q Now, if you had a problem with a scan,
17 would you send a bill to the insurance company?
18 A Depends on if it was a complete scan or if
19 it wasn't.
20 Q Well, if you sent a bill, was it a complete
21 scan?
22 A Yes.

EXHIBIT N

MRI APPLICATIONS SITE REPORT

Submitted by
Gloria Sumler
April 28, 1998

Site Number: R-77

Customer Name: Diagnostic Resource Group

Address: 8817 Belair #106
Perry Hall, Md. 21236

Telephone: (410) 529-4444

Regional Sales Manager: Eric Lindsey

Full Line Sales Specialist: J.P. Marzullo

MR Modality Manager: Mike Ellis

Regional Service Manager: Bob Mc Aveny

Area Service Manager: John Hutton

Customer Engineer: Kent Stansbury

Doctors: Phillip Templeton

Technologists: Kim Stehman

Date of Visit: April 6-10, 1998

Time Spent on Site: 5 days

Date of First Paying Patient (new site only): No paying patient done.

Reason for Visit: New site start-up

SYSTEM: OPART: QD Head, Large & Small Body, Extremity, Neck with Extender, Shoulder, Small Belt, T-Spine. No camera on site.

SOFTWARE VERSION: 1.3 rev 4

Clinical Evaluation:

Clinical evaluation was completed all scans met or exceeds system specification except for the angio sequence. The 3D TOF COW scan would not reconstruct. This was reported to service.

All scans were archived to service disk.

Optical disc and mouse pad given to site.

Applications Issues:

The site was down when I arrived on Monday. The TCM board had to be replaced and the system was ready Tuesday morning.

This has been an unusually site turn-over. The site was not clean or prepared for application. No patients were schedule and very few volunteers were available. The technologist had to leave the site every day from 11 a.m. to 2 p.m. to scan at another site. There was no camera available at the site.

However, the technologist has previous MR experience and learned the system very quickly.

The site has elected to have only one week of application at this time and use the second week when more staff is hired.

000008

Item Covered:

1. Magnet/Table
2. Coils, coil's positioning
3. Intercom system
4. Computer room
5. System start up & shut down
6. Schedule, Acquire, Display, File and Utilities icons
7. Configuration default
8. Daily QA
9. Filter and reconstruction
10. Filming setup demonstrated (no camera available)
11. Protocol creation and Memory Storage
12. Archive, delete, and restore
13. MIP

Scans done:

1. Brain
2. Cervical Spine, Carotid
3. Lumbar Spine
4. Knee
5. Shoulder
6. Elbow
7. Abdomen

Image quality is very good. Dr. Templeton and Kim were pleased with all scans performed. Recommended protocols were stored in memory for scans not performed.

Action Items:

1. Stay in telephone contact with the site.
2. Advanced scanning technique will be covered on next visit.

Engineering Issues:

Jeff Lowe the site owner had several complaints

1. He felt the intercom system is unacceptable because the only way to communicate with the patient is through the headset. Sales and service are also aware of this complaint and they are looking into other options.
2. The swaying motion of the table.
3. The 3D TOF angio sequence would not recon.

000009

Action Items:

Service Issues:

Phil Varone and Kent Stansbury was on site during application training. I would like to thank them for their diligent work..

The system was down on two occasions during my visit. The TCM board had to be replaced on day one. Day four of training the magnet suffered an uncontrolled ramp down due to an area power outage. The system was back up the next morning..

Action Items:

None at this time.

Sales Issues:

J.P. Marzuloo stopped by the site during application.

Action Items:

Talk to Jeff Lowe about his concern about the intercom systems.

Revisit Needed?

Yes, week two of application training at the customer request.

Submitted By: Gloria J. Sumler

EXHIBIT O

<p>1 IN THE UNITED STATES DISTRICT COURT</p> <p>2 FOR THE DISTRICT OF MARYLAND</p> <p>3 -----X</p> <p>4 DIAGNOSTIC RESOURCE GROUP, :</p> <p>5 L.L.C. :</p> <p>6 Plaintiff : U. S. District Court</p> <p>7 v. : Civil No. L-02-3020</p> <p>8 TOSHIBA AMERICA MEDICAL :</p> <p>9 SYSTEMS, INC. : Court Case No.</p> <p>10 Defendant : 03-C-02-006016</p> <p>11 -----:</p> <p>12 Deposition of PHILIP ANTHONY TEMPLETON, M.D.</p> <p>13 Baltimore, Maryland</p> <p>14 Monday, May 19, 2003</p> <p>15 10:19 a.m.</p> <p>16 Job No.: 1-16982</p> <p>17 Pages 1 - 90</p> <p>18 Reported by: Beatriz D. Fefel, RPR</p> <p>19</p> <p>20</p> <p>21</p> <p>22</p>	<p>1 A P P E A R A N C E S</p> <p>2</p> <p>3 ON BEHALF OF THE PLAINTIFF:</p> <p>4 SAMUEL SPERLING, ESQUIRE</p> <p>5 LAW OFFICE OF LEONARD J. SPERLING</p> <p>6 1777 Reisterstown Road</p> <p>7 Commercentre West, Suite 212</p> <p>8 Baltimore, Maryland 21208</p> <p>9 (410) 653-0141</p> <p>10</p> <p>11 ON BEHALF OF THE DEFENDANT:</p> <p>12 BROOKE SCHUMM, III, ESQUIRE</p> <p>13 DANEKER, McINTIRE, SCHUMM, PRINCE,</p> <p>14 GOLDSTEIN, MANNING & WIDMANN, P.C.</p> <p>15 1 North Charles Street</p> <p>16 Suite 2450</p> <p>17 Baltimore, Maryland 21201</p> <p>18 (410) 649-4747</p> <p>19</p> <p>20</p> <p>21</p> <p>22</p>
<p>1 Deposition of PHILIP ANTHONY TEMPLETON, M.D.,</p> <p>2 held at the law offices of:</p> <p>3</p> <p>4 LEONARD J. SPERLING</p> <p>5 1777 Reisterstown Road</p> <p>6 Commercentre West, Suite 212</p> <p>7 Baltimore, Maryland 21208</p> <p>8 (410) 653-0141</p> <p>9</p> <p>10</p> <p>11 Pursuant to agreement, before Beatriz D.</p> <p>12 Fefel, Registered Professional Reporter and Notary</p> <p>13 Public of the State of Maryland.</p> <p>14</p> <p>15</p> <p>16</p> <p>17</p> <p>18</p> <p>19</p> <p>20</p> <p>21</p> <p>22</p>	<p>1 C O N T E N T S</p> <p>2 EXAMINATION OF PHILIP A. TEMPLETON, M.D. PAGE:</p> <p>3 By Mr. Schumm 5</p> <p>4 By Mr. Sperling 69</p> <p>5 By Mr. Schumm 83</p> <p>6</p> <p>7 E X H I B I T S</p> <p>8 (Attached to the transcript.)</p> <p>9 TEMPLETON DEPOSITION EXHIBITS: PAGES:</p> <p>10 1 10/1/98 Delivery and Acceptance</p> <p>11 Certificate; Attachment A to</p> <p>12 Landlord/Mortgagee Waiver; 7/7/99</p> <p>13 letter to McAveney from Low 9</p> <p>14 2 "TOSHIBA" problem list 14</p> <p>15 3 4/28/98 MRI Applications Site</p> <p>16 Report 28</p> <p>17 4 4/98 Imaging Center scanning log 28</p> <p>18</p> <p>19</p> <p>20</p> <p>21</p> <p>22</p>

<p style="text-align: right;">17</p> <p>1 list, but --</p> <p>2 Q Okay.</p> <p>3 A -- what it would mean to me is the fact --</p> <p>4 MR. SPERLING: I'm just going to object if</p> <p>5 it's not based on some knowledge that he has.</p> <p>6 MR. SCHUMM: Okay. I can ask him anything I</p> <p>7 want; he either knows or he doesn't know.</p> <p>8 MR. SPERLING: Exactly. He's asking what</p> <p>9 you know or other source of information.</p> <p>10 MR. SCHUMM: Well, but if he has an</p> <p>11 understanding I'll ask him what his understanding is</p> <p>12 based on.</p> <p>13 MR. SPERLING: Or if he has an</p> <p>14 understanding.</p> <p>15 BY MR. SCHUMM:</p> <p>16 Q Go ahead.</p> <p>17 A Okay. My understanding would simply be that</p> <p>18 because the system needed a generator, there was a</p> <p>19 yearly cost associated with running that generator</p> <p>20 that was an incremental cost to the entire operation.</p> <p>21 Q Now, to your knowledge, were there other MRI</p> <p>22 systems that required generators?</p>	<p style="text-align: right;">19</p> <p>1 platform. So I think that probably delayed getting</p> <p>2 things started and had costs borne by someone. And</p> <p>3 then the additional issues, which may come later in</p> <p>4 this list, I'm not positive, but the generator itself,</p> <p>5 as I recall, was not hooked up by Toshiba when it was</p> <p>6 installed. So the first time with the system in</p> <p>7 operation power went out, the backup generator did not</p> <p>8 come on, and I think that was over a weekend, and the</p> <p>9 system died.</p> <p>10 Q I'm going to show you what's been Bate-</p> <p>11 stamped as Documents 8, 9 and 10, and it says MRI</p> <p>12 Applications Site Report.</p> <p>13 MR. SPERLING: Take a moment to go through</p> <p>14 it.</p> <p>15 Q Yeah, I was going to ask you to do that.</p> <p>16 You've seen that before, I think.</p> <p>17 A I'm sure I have (complying). Okay.</p> <p>18 Q Okay. Do you recall having a meeting out</p> <p>19 there in approximately April of 1998 with the various</p> <p>20 persons listed?</p> <p>21 A Well, there's a lot of people listed here,</p> <p>22 but I remember being there for actually just a brief</p>
<p style="text-align: right;">18</p> <p>1 A Well, I don't know the answer to that, to be</p> <p>2 quite honest.</p> <p>3 Q Okay. Had you or Jeffrey ever gone out to</p> <p>4 look at a Toshiba MRI system that was being purchased</p> <p>5 by Diagnostic Resource Group?</p> <p>6 A I don't know that Jeffrey and I ever went to</p> <p>7 look at an MRI system that I can recall, but I have --</p> <p>8 I did personally myself in the past go look at the</p> <p>9 OPART system at Toshiba headquarters.</p> <p>10 Q Okay. Had Jeffrey gone to see one of the</p> <p>11 OPART systems?</p> <p>12 A That I'm not sure.</p> <p>13 Q Okay. Did he ever say anything to you that</p> <p>14 he had or had not?</p> <p>15 A I don't remember. It was quite awhile ago.</p> <p>16 Q Yeah. Okay. So with respect to these first</p> <p>17 three items, to your knowledge, what damage did</p> <p>18 Diagnostic Resource Group suffer?</p> <p>19 A Well, again, not being totally specific from</p> <p>20 knowledge but general understanding, the first issue</p> <p>21 was that the platform had to be created, and it was a</p> <p>22 rather lengthy, as I recall, long and inclined</p>	<p style="text-align: right;">20</p> <p>1 period of time.</p> <p>2 Q Umh-humh.</p> <p>3 A And I remember Kim Stehman and I remember</p> <p>4 Gloria Sumler who was the applications person.</p> <p>5 Q Umh-humh.</p> <p>6 A And I'm really not sure who else was or</p> <p>7 wasn't there at the time.</p> <p>8 Q Okay. Was a gentleman named Mr. Kent</p> <p>9 Stansbury there?</p> <p>10 A He could have been. I think I met him at</p> <p>11 some point; I don't know if it was that day.</p> <p>12 Q And what was the purpose of the meeting?</p> <p>13 A They were doing applications and I just went</p> <p>14 out to see the system.</p> <p>15 Q And did you see the system operate?</p> <p>16 A Yes.</p> <p>17 Q And did it operate satisfactorily, as best</p> <p>18 you could tell?</p> <p>19 A As far as I recall.</p> <p>20 Q Okay. I'm going to show you what's been</p> <p>21 identified as Bates Nos. 607, and attached to it for</p> <p>22 some reason is Bates No. 479. But this was produced</p>

21

1 to us by Diagnostic Resource Group as the records from
2 April of 1998, and you can see it has a fax line of
3 5/4/1998. Were you aware that patients were treated
4 immediately after the date that you had the meeting
5 with Ms. Sumler and so on?

6 **A As far as I know, I know they did some**
7 **patients, yes.**

8 Q Okay. And in the course of your
9 association, was the machine ever used on patients
10 when it wasn't operating properly?

11 **A When you say my association?**

12 Q Well, you have this sort of -- you're not
13 quite sure of your title --

14 **A Oh.**

15 Q -- in your connection with it, so I'm
16 calling it an association for lack of a better thing.
17 I could say, well, you were secretary of the company,
18 or whatever your position was.

19 **A Well, to try to answer that question as best**
20 **I can, I know there were times that the system was**
21 **being used on a patient and it failed, if that's what**
22 **you mean. And so as far as I know, those scans were**

22

1 **aborted.**

2 Q Okay. But to your knowledge, was a machine
3 being used for diagnostic purposes on patients when it
4 wasn't operating properly and those results were given
5 back to doctors?

6 **A Not that I know of.**

7 Q Okay. And what would you have done if that
8 was occurring?

9 **A Well, I suppose, in the sense if I -- I'm**
10 **not sure what you mean when you say not operating**
11 **properly. In other words, if it was producing**
12 **diagnostic scans, that's one thing; if it was not**
13 **producing diagnostic scans, that would be the other,**
14 **and that would probably be the extent of my**
15 **involvement. If it was a machine technical problem, I**
16 **probably wouldn't have necessarily known about it.**

17 Q And what was the normal procedure with
18 Diagnostic Resource Group if there was a technical
19 problem with the machine?

20 **A Well, as far as I would know, and I don't**
21 **particularly know the procedures --**

22 Q Okay.

23

1 **A -- they obviously would either have to stop**
2 **scanning the patient and try to reschedule, or call on**
3 **the service personnel to fix the problem.**

4 Q And to your knowledge, when calls were made
5 to service personnel, were responses given by the
6 service personnel to fix the problem and bring the
7 machine back up to operating order again?

8 **A As far as I know.**

9 Q Did you have any other business connections
10 with Mr. Low?

11 **A Beyond --**

12 Q Diagnostic Resource Group.

13 **A -- Diagnostic Resource Group? Yes.**

14 Q And what were those other associations?

15 **A Well, again, there were ventures that he did**
16 **that he considered me a partner in, and I was a**
17 **partner at least, I guess to the degree that I was**
18 **named a partner, if you will. It wasn't a financial**
19 **transaction or contribution or distribution or**
20 **anything of that nature. But, you know, I know there**
21 **was a surgery center in New Jersey that was attempted**
22 **to be put together and, to the best of my knowledge,**

24

1 **not operational. And there was some imaging center in**
2 **New York. But, again, as best I know, someone bought**
3 **that, but it really had no direct involvement or**
4 **bearing with me in any financial or other way.**

5 Q Did you --

6 **A Very loosely.**

7 Q Did you receive any financial remuneration
8 from any of the businesses with which you were
9 associated with --

10 **A No.**

11 Q -- Mr. Low, for instance, serving as
12 secretary or whatever positions you might have had?

13 **A No.**

14 Q And did you ever receive a K-1 from him, or
15 any tax documents that you would have used in
16 compiling your own personal tax returns?

17 **A The only K-1 document that I recall that I**
18 **ever got was one from that surgery center in New**
19 **Jersey.**

20 Q Okay. And have you made an investment in
21 that surgery center?

22 **A No.**

25

1 Q Let's see. Some papers in the file indicate
2 that you were a medical director associated with
3 Diagnostic Resource Group; does that ring a bell?

4 A **It's not impossible.**

5 Q Not impossible, okay. Got it.

6 A **The title of medical director, I guess,**
7 **means that the physician of record for the imaging**
8 **center. I wasn't definitely sure that I was the**
9 **medical director of that center; however, it's**
10 **certainly possible.**

11 Q Okay. And during this time from, let's say,
12 the beginning of 1998 through the end of 1999, which
13 seems to be sort of the relevant period of events of
14 operation, what was your career and what were you
15 doing?

16 A **I was the chairman of radiology at the**
17 **University of Maryland.**

18 Q And when you say at the University of
19 Maryland --

20 MR. SCHUMM: Let's go off the record for a
21 second.

22 (Discussion off the record.)

26

1 BY MR. SCHUMM:

2 Q When you refer to the University of
3 Maryland, you're referring to the University of
4 Maryland at Baltimore hospital complex located down on
5 Greene and Paca Streets in Baltimore?

6 A **Yes.**

7 MR. SPERLING: Actually, I think the name is
8 different. Isn't it University of Maryland Medical
9 System?

10 THE WITNESS: Yeah, it's actually much more
11 complicated than that, because there's actually the
12 School of Medicine --

13 MR. SPERLING: Right.

14 THE WITNESS: -- and the Medical System.

15 MR. SPERLING: And I know they kind of sold
16 it, or something like that, or it's no longer part of
17 the State, or something like that?

18 THE WITNESS: No, it's a private, not-for-
19 profit. But, I mean, us as physicians there are both
20 in the role of being in the Medical School as
21 professors and being in the Medical System as clinical
22 chief of the department, so you wear like ten hats

27

1 when you're there, but. . .

2 BY MR. SCHUMM:

3 Q Okay. In connection with your association
4 with Diagnostic Resource Group, did you exercise any
5 authority in your role as a secretary or medical
6 director in terms of supervising persons or signing
7 contracts, and so on and so forth?

8 A **I would say outside of this document --**

9 MR. SPERLING: Templeton 1, marked as 1.

10 A **-- 1, I did not really directly supervise**
11 **personnel or sign other documents or do any other**
12 **managerial things, no.**

13 Q If I could direct your attention back to the
14 document I showed you a little earlier, the document
15 Bate-stamped 0008, which I guess --

16 MR. SCHUMM: Why don't we mark that as
17 Templeton, what are we up to, 3?

18 MR. SPERLING: Why don't we mark that
19 document as 3 and this document as 4.

20 MR. SCHUMM: And we'll mark Document
21 00607 --

22 MR. SPERLING: And 479.

28

1 MR. SCHUMM: -- and 479 as Exhibit 4.

2 (Deposition Exhibit Nos. 3 & 4 were marked
3 for identification and were attached to the
4 transcript.)

5 BY MR. SCHUMM:

6 Q I think my question was going to be,
7 redirecting your attention to what's been marked as
8 Templeton Deposition Exhibit No. 3, is that a fair
9 recollection of the events that you knew of that had
10 occurred around those dates?

11 A **Well, not exactly. I never saw this**
12 **document before.**

13 Q Right. No, no. I'm asking you if it's a
14 fair recollection of the events you knew of there.
15 Would you --

16 A **I honestly -- there are a lot of things in**
17 **this that I couldn't speak to at all.**

18 Q Okay.

19 A **My only recollection of that time is being**
20 **there for a brief while and perhaps seeing one or two**
21 **patients scanned.**

22 Q Okay.

EXHIBIT P

Diagnostic Resource Group
Accounts Receivable
11/30/98

	<u>Income</u>	<u>AR</u>	<u>Balance</u>
Apr-98	708.00	12,702.00	11,994.00
May-98	2,665.00	23,622.00	20,957.00
Jun-98	6,253.00	33,149.00	26,896.00
Jul-98	13,562.00	43,734.00	30,172.00
Aug-98	21,324.00	40,293.00	18,969.00
Sep-98	5,236.00	44,126.00	38,890.00
Oct-98	26,372.00	57,617.00	31,245.00
Nov-98	14,691.00	52,099.00	37,408.00
	<u>87,438.00</u>	<u>271,018.00</u>	<u>183,580.00</u>
Less 90 days	<u>-</u>	<u>(153,842.00)</u>	
Allowance %	87,438.00 /	117,176.00 =	0.75
		* <u>0.25</u>	
Allowance		<u>29,738.00</u>	